

DCMC-O

MEMORANDUM OF RECORD

SUBJECT: Staff Meeting Minutes for March 28, 2000

**DCMC REPRESENTATIVE SPEAKS ON PERFORMANCE BASED PAYMENTS TO NATIONAL CONTRACT MANAGEMENT ASSOCIATION CHAPTER MEETING.**

A DCMC Contract Specialist from the Contract Financing and Payments Team, Contract Business Operations, addressed the NCMA Chesapeake Bay Chapter meeting of March 22, 00 on the subject of performance based payments. The presentation stressed contrasts with other financing types, the proper use and construction of performance based payments, and described some lessons learned since their inauguration. The importance of utilizing DCMC for Early Contract Administration Services on performance based payments was a central point of the briefing since the audience contained both buying command as well as contractor personnel in attendance.

**SUPPLIER RISK MANAGEMENT.** DCMC Headquarters participated at the F-22/F119 DCMC Conference at Wright Patterson Air Force Base on March 22, 2000. The presentation included a top-level overview on DCMC's new supplier risk management policy, alignment to DoD policy, and how it relates to Buying Activities. Valuable interchange included the role that risk management plays in all phases of the acquisition life cycle and what Customers can expect from DCMC.

**STAFF ASSISTANCE VISIT - LOCKHEED MARTIN SANDERS, NASHUA, NH.** In response to a request from the US Army CECOM, representatives from the DCMC Earned Value Center and DCMC District East visited Lockheed Martin on March 1-2, 2000 to assess their Earned Value Management System (EVMS). The purpose was to evaluate the use of EVMS to manage the Advanced Threat Infrared Countermeasures (ATIRCM) Common Missile Warning System (CMWS) Engineering Manufacturing and Development (EMD) Program. Recommendations were discussed with Lockheed Martin. The local DCMC EVMS focal point and program integrator are working with the contractor to implement agreed upon improvements.

**EARNED VALUE MANAGEMENT SYSTEM (EVMS) INTEGRATED BASELINE REVIEW (IBR) AT HAMILTON SUNDSTRAND.** On Feb 29 – Mar 3, 2000, Boeing Canoga Park, CA conducted an IBR of their subcontractor, Hamilton Sundstrand on the International Space Station contract. IBRs are conducted following contract award and at other key points in a program, to verify the technical content of the performance measurement baseline and the accuracy of the related budgets and schedules. DCMC monitored this review at the request of NASA Marshall Space Flight Center, since the DCMC EVM Center has been asked by NASA Marshall to lead an Earned Value

Management System (EVMS) acceptance evaluation at Hamilton Sundstrand. The IBR served as a progress review to determine the status of Hamilton Sunstrand's EVMS for their upcoming acceptance review scheduled during the week of March 27, 2000.

APPROVED:

ROBERT W. SCHMITT  
Deputy Executive Director  
Contract Management Operations